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1. Shipbroker H Clarkson and Co. Ltd St Magnus House, 3 Lower Thames Street, London, EC3R 6HE		BIMCO STANDARD BAREBOAT CHARTER CODE NAME: "BARECON 2001"		PART I
2. Place and date London, England 25th July 2013		3. Owners/Place of business (Cl. 1) Pisces Shipping Pte. Ltd Guaranteed by Yangzijiang Shipping Pte. Ltd 80 Robinson Road, 02-00 Singapore 068888		
4. Bareboat Charterers/Place of business (Cl. 1) Global Maritime Investments Cyprus Limited or its guaranteed nominee		5. Vessel's name, call sign and flag (Cl. 1 and 3) Singapore		
6. Type of Vessel Bulk Carrier		7. GT/NT		
8. When/Where built March 2016 Jiangsu New Yangzi Shipbuilding Co., Ltd. and Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd., China, see Rider Clause 34.4		9. Total DWT (abt.) in metric tons on summer freeboard. about 81,800 dwt scantling		
10. Classification Society (Cl. 3) Lloyd's Register		11. Date of last special survey by the Vessel's classification society N/A		
12. Further particulars of Vessel (also indicate minimum number of months' validity of class certificates agreed acc. to Cl. 3)				
13. Port or Place of delivery (Cl. 3) See Clause 34		14. Time for delivery (Cl. 4) See Clause 34		15. Cancelling date (Cl. 5) N/A
16. Port or Place of redelivery (Cl. 15) N/A		17. No. of months' validity of trading and class certificates upon redelivery (Cl. 15) N/A		
18. Running days' notice if other than stated in Cl. 4 N/A		19. Frequency of dry-docking (Cl. 10(a)) N/A		
20. Trading limits (Cl. 6) Worldwide where is customary for a vessel of this type and size to trade, and permitted by insurers				
21. Charter period (Cl. 2) See Clause 2		22. Charter hire (Cl. 11)		
23. New class and other safety requirements (state percentage of Vessel's insurance value acc. to Box 29)(Cl. 10(a)(iii))				
24. Rate of interest payable acc. to Cl. 11 (f) and, if applicable, acc. to PART IV Fixed 5% per annum		25. Currency and method of payment (Cl. 11) United States Dollars		

PART I	
26. Place of payment; also state beneficiary and bank account (Cl. 1)	27. Bank guarantee/bond (sum and place) (Cl. 24) (optional)
28. Mortgage(s), if any (state whether <u>12(a)</u> or <u>(b)</u> applies; if <u>12(b)</u> applies state date of Financial Instrument and name of Mortgagee(s) (Place of business) (Cl. 13) See Clause 48	29. Insurance (hull and machinery and war risks) (state value acc. to Cl. 13(f) or, if applicable, acc. to Cl. 14(k)) (also state if Cl. 14 applies)
30. Additional insurance cover, if any, for Owners' account limited to (Cl. 13(b)) or, if applicable, Cl. 14(g))	31. Additional insurance cover, if any, for Charterers' account limited to (Cl. 13(b)) or, if applicable, Cl. 14(g))
32. Latent defects (only to be filled in if period other than stated in Cl. 3)	33. Brokerage commission and to whom payable (Cl. 27)
34. Grace period (state number of clear banking days) (Cl. 28)	35. Dispute Resolution (state 30(a), 30(b) or 30(c); if 30(c) agreed Place of Arbitration must be stated (Cl. 30) Clause 30(a))
36. War cancellation (indicate countries agreed) (Cl. 29(f)) N/A	
37. Newbuilding Vessel (indicate with "yes" or "no" whether PART III applies) (optional) Yes	38. Name and place of Builders (only to be filled in if PART III applies) Jiangsu New Yangzi Shipbuilding Co., Ltd. and Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd., China, see Rider Clause 34.4
39. Vessel's Yard Building No. (only to be filled in if PART III applies) Hull No: YZJ2013-1066	40. Date of Building Contract (only to be filled in if PART III applies) []
41. Liquidated damages and costs shall accrue to (state party acc. to Cl. 1) a) b) c)	
42. Hire/Purchase agreement (indicate with "yes" or "no" whether PART IV applies) (optional) No (see Rider Clause 43)	43. Bareboat Charter Registry (indicate with "yes" or "no" whether PART V applies) (optional) No
44. Flag and Country of the Bareboat Charter Registry (only to be filled in if PART V applies)	45. Country of the Underlying Registry (only to be filled in if PART V applies)
46. Number of additional clauses covering special provisions, if agreed	

PREAMBLE - It is mutually agreed that this Contract shall be performed subject to the conditions contained in this Charter which shall include PART I and PART II. In the event of a conflict of conditions, the provisions of PART I shall prevail over those of PART II to the extent of such conflict but no further. It is further mutually agreed that PART III and/or PART IV and/or PART V shall only apply and only form part of this Charter if expressly agreed and stated in Boxes 37, 42 and 43. If PART III and/or PART IV and/or PART V apply, it is further agreed that in the event of a conflict of conditions, the provisions of PART I and PART II shall prevail over those of PART III and/or PART IV and/or PART V to the extent of such conflict but no further.

Signature (Owners) 	Signature (Charterers) 
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PANAYIOTIS C. KONTOS
DIRECTOR

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"BARECON 2001" Standard Bareboat Charter

1. **Definitions**
In this Charter, the following terms shall have the meanings hereby assigned to them:
"The Owners" shall mean the party identified in Box 3;
"The Charterers" shall mean the party identified in Box 4;
"The Vessel" shall mean the vessel named in Box 5 and with particulars as stated in Boxes 6 to 12.
"Financial Instrument" means the mortgage, deed of covenant or other such financial security instrument as annexed to this Charter and stated in Box 28. See also the Additional Definitions in Clause 33.
2. **Charter Period**
In consideration of the hire detailed in Box 22, the Owners have agreed to let and the Charterers have agreed to hire the Vessel for the period stated in Box 21 of eight consecutive years from delivery ("The Charter Period"). The Charter Period shall terminate automatically on transfer of title to Charterers (or nominee) on sale of the Vessel under Clause 43 ("Sale Termination").
3. **Delivery**
(not applicable when Part III applies, as indicated in Box 37)
(a) The Owners shall before and at the time of delivery exercise due diligence to make the Vessel seaworthy and in every respect ready in hull, machinery and equipment for service under this Charter. The Vessel shall be delivered by the Owners and taken over by the Charterers at the port or place indicated in Box 13 in such ready safe berth as the Charterers may direct.
(b) The Vessel shall be properly documented on delivery in accordance with the laws of the flag State indicated in Box 5 and the requirements of the classification society stated in Box 10. The Vessel upon delivery shall have her survey cycles up to date and trading and class certificates valid for at least the number of months agreed in Box 12.
(c) The delivery of the Vessel by the Owners and the taking over of the Vessel by the Charterers shall constitute a full performance by the Owners of all the Owners' obligations under this Clause 3, and thereafter the Charterers shall not be entitled to make or assert any claim against the Owners on account of any conditions, representations or warranties expressed or implied with respect to the Vessel but the Owners shall be liable for the cost of but not the time for repairs or renewals occasioned by latent defects in the Vessel, her machinery or appurtenances, existing at the time of delivery under this Charter, provided such defects have manifested themselves within twelve (12) months after delivery unless otherwise provided in Box 32.
4. **Time for Delivery**
(not applicable when Part III applies, as indicated in Box 37)
The Vessel shall not be delivered before the date indicated in Box 14 without the Charterers' consent and the Owners shall exercise due diligence to deliver the Vessel not later than the date indicated in Box 15. Unless otherwise agreed in Box 18, the Owners shall give the Charterers not less than thirty (30) running days' preliminary and not less than fourteen (14) running days' definite notice of the date on which the Vessel is expected to be ready for delivery. The Owners shall keep the Charterers closely advised of possible changes in the Vessel's position.
5. **Trading Restrictions**
The Vessel shall be employed in lawful trades for the carriage of suitable lawful merchandise within the trading limits indicated in Box 20. The Charterers undertake not to employ the Vessel or suffer the Vessel to be employed otherwise than in conformity with the terms of the contracts of insurance (including any warranties expressed or implied therein) without first obtaining the consent of the insurers to such employment and complying with such requirements as to extra premium or otherwise as the insurers may prescribe. The Charterers also undertake not to employ the Vessel or suffer her employment in any trade or business which is forbidden by the law of any country to which the Vessel may sail or is otherwise illicit or in carrying illicit or prohibited goods or in any manner whatsoever which may render her liable to condemnation, destruction, seizure or confiscation. Upon occurrence of any situation as stipulated above, the Charterers shall endeavor to release the vessel, to hold harmless the Owners, the Vessel and their respective right and interests, and shall compensate the Owners of any direct or indirect loss howsoever occurred arising out of such occurrence. Notwithstanding any other provisions contained in this Charter it is agreed that nuclear fuels or radioactive products or waste are specifically excluded from the cargo permitted to be loaded or carried under this Charter. This exclusion does not apply to radio-isotopes used or intended to be used for any industrial, commercial, agricultural, medical or scientific purposes provided the Owners' prior approval has been obtained to loading thereof and the carriage of such cargo are insured.
6. **Surveys on Delivery and Redelivery**
(not applicable when Part III applies, as indicated in Box 37)
The Owners and Charterers shall each appoint surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of delivery and redelivery hereunder. The Owners shall bear all expenses of the On-hire Survey including loss of time, if any, and the Charterers shall bear all expenses of the Off-hire Survey including loss of time, if any, at the daily equivalent to the rate of hire or pro-rata thereof.
7. **Inspection**
The Owners shall have the right at any time after giving reasonable notice to the Charterers to inspect or survey the Vessel or instruct a duly authorised surveyor to carry out such survey on their behalf:
(a) to ascertain the condition of the Vessel and satisfy themselves that the Vessel is being properly repaired and maintained. The costs and fees for such inspection or survey shall be paid by the Owners unless the Vessel is found to require repairs or maintenance in accordance with Clause 10, order to
- (b) If it appears that the Vessel will be delayed beyond the cancelling date, the Owners may, as soon as they are in a position to state with reasonable certainty the day on which the Vessel should be ready, give notice thereof to the Charterers asking whether they will exercise their option of cancelling, and the option must then be declared within one hundred and sixty-eight (168) running hours of the receipt by the Charterers of such notice or within thirty-six (36) running hours after the cancelling date, whichever is the earlier. If the Charterers do not then exercise their option of cancelling, the seventh day after the readiness date stated in the Owners' notice shall be substituted for the cancelling date indicated in Box 16 for the purpose of this Clause 5.
(c) Cancellation under this Clause 5 shall be without prejudice to any claim the Charterers may otherwise have on the Owners under this Charter.

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achieve the condition so provided;	134	regard, inter alia, to the length of the period	197
(b) in dry-dock if the Charterers have not dry-docked	135	remaining under this Charter shall, in the absence	198
Her in accordance with <u>Clause 10(a)</u> . The costs and fees	136	of agreement be paid by the Owners and such	199
for such inspection or survey shall be paid by the	137	payment shall be reimbursed by the Charterers	
Charterers; and	138	together with the interest calculated at the rate of	
(c) for any other commercial reason they consider	139	5% per annum. Such reimbursement shall be	
necessary (but not more than once annually and	140	made together with the Purchase Price to be	
provided it does not unduly materially interfere with		made by the Charterers in the event that the	
the commercial operation of the Vessel). The costs and	141	Charterers exercise its Purchase Option or	
fees for such inspection and survey shall be paid by the	142	obligation, as case may be, in accordance with	
Owners.	143	Clause 43, referred to the dispute resolution	
All time used in respect of inspection, survey or repairs	144	method agreed in <u>Clause 25</u> .	200
shall be for the Charterers' account and form part of the	145	(iii) <u>Financial Security</u> - The Charterers shall maintain	201
Charter Period.	146	financial security or responsibility in respect of third	202
The Charterers shall also permit the Owners to inspect	147	party liabilities as required by any government,	203
and make a copy of		including federal, state or municipal or other division	204
the Vessel's log books whenever requested and shall	148	or authority thereof, to enable the Vessel, without	205
whenever required by the Owners furnish them with full	149	penalty or charge, lawfully to enter, remain at, or	206
information regarding any casualties or other accidents	150	leave any port, place, territorial or contiguous	207
or damage to the Vessel.	151	waters of any country, state or municipality in	208
		performance of this Charter without any delay. This	209
		obligation shall apply whether or not such	210
		requirements have been lawfully imposed by such	211
		government or division or authority thereof.	212
		The Charterers shall make and maintain all arrange-	213
		ments by bond or otherwise as may be necessary to	214
		satisfy such requirements at the Charterers' sole	215
		expense and the Charterers shall indemnify the Owners	216
		against all consequences whatsoever (including loss of	217
		time) for any failure or inability to do so.	218
		(b) <u>Operation of the Vessel</u> - The Charterers shall at	219
		their own expense and by their own procurement man,	220
		victual, navigate, operate, supply, fuel and, whenever	221
		required, repair the Vessel (provided that this does not	222
		apply to repairs under Article IX of the Building	
		Contract) during the Charter Period.	223
		and they shall pay all charges and expenses of every	224
		kind and nature whatsoever incidental to their use and	225
		operation of the Vessel under this Charter, including	226
		annual flag State fees and any foreign general	227
		municipality and/or state taxes. The Master, officers	228
		and crew of the Vessel shall be the servants of the Charterers	229
		for all purposes whatsoever, even if for any reason	230
		appointed by the Owners.	231
		Charterers shall comply with the regulations regarding	232
		officers and crew in force in the country of the Vessel's	233
		flag or any other applicable law. In the event of	
		employment, change or dismissal of a manager, the	
		Charterers shall obtain prior written approval from	
		the Owners, the approval of which shall not be	
		unreasonably withheld.	234
		(c) The Charterers shall keep the Owners and the	235
		mortgagee(s) advised of the intended employment,	236
		planned dry-docking and major repairs of the Vessel,	237
		as reasonably required.	238
		(d) <u>Flag and Name of Vessel</u> - During the Charter	239
		Period, the Charterers shall have the liberty to name the	
		Vessel, paint the	240
		Vessel in their own colours, install and display their	241
		funnel insignia and fly their own house flag. The	242
		Charterers shall also have the liberty, with the Owners'	243
		consent, which shall not be unreasonably withheld, to	244
		change the flag and/or the name of the Vessel during	245
		the Charter Period. Painting and re-painting, instalment	246
		and re-instalment, registration and re-registration, if	247
		required by the Owners, shall be at the Charterers'	248
		expense and time.	249
		(e) <u>Changes to the Vessel</u> - Subject to <u>Clause 10(a)(ii)</u> ,	250
		the Charterers shall make no structural changes in the	251
		Vessel or changes in the machinery, boilers, appurten-	252
		ances or spare parts thereof without in each instance	253
		first securing the Owners' approval thereof, without the	
		prior written consent of the Owners, not to be	
		unreasonably withheld or delayed, if the Owners	254
		so agree, the Charterers shall, if the Owners so require,	

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restore the Vessel to its former condition before the termination of this Charter.

(f) Use of the Vessel's Outfit, Equipment and Appliances - The Charterers shall have the use of all outfit, equipment, and appliances on board the Vessel at the time of delivery, provided the same or their substantial equivalent shall be returned to the Owners on redelivery in the same good order and condition as when received, ordinary wear and tear excepted. The Charterers shall from time to time during the Charter Period replace such items of equipment as shall be so damaged or worn as to be unfit for use. The Charterers are to procure that all repairs to or replacement of any damaged, worn or lost parts or equipment be effected in such manner (both as regards workmanship and quality of materials) as not to diminish the value of the Vessel. The Charterers have the right to fit additional equipment at their expense and risk but the Charterers shall remove such equipment at the end of the period if requested by the Owners. Any equipment including radio equipment on hire on the Vessel at time of delivery shall be kept and maintained by the Charterers and the Charterers shall assume the obligations and liabilities of the Owners under any lease contracts in connection therewith and shall reimburse the Owners for all expenses incurred in connection therewith, also for any new equipment required in order to comply with radio regulations.

(g) Periodical Dry-Docking - The Charterers shall dry-dock the Vessel and clean and paint her underwater parts whenever the same may be necessary, but not less than once during the period stated in Box 19 or, if Box 19 has been left blank, every sixty (60) calendar months after delivery or such other period as may be in accordance with the requirements of required by the Classification Society or flag State.

11. Hire [also see Clause 36]
(a) The Charterers shall pay hire due to the Owners punctually in accordance with the terms of this Charter in respect of which time shall be of the essence.
(b) The Charterers shall pay to the Owners for the hire of the Vessel a lump sum in the amount indicated in Box 22 which shall be payable not later than every thirty (30) running days in advance, the first lump sum being payable on the date and hour of the Vessel's delivery to the Charterers. Hire shall be paid continuously throughout the Charter Period.
(c) Payment of hire shall be made in cash without discount in the currency and in the manner indicated in Box 25 and at the place mentioned in Box 26.
(d) Final payment of hire, if for a period of less than thirty (30) running days, shall be calculated proportionally according to the number of days and hours remaining before redelivery and advance payment to be effected accordingly.
(e) Should the Vessel be lost or missing, hire shall cease from the date and time when she was lost or last heard of. The date upon which the Vessel is to be treated as lost or missing shall be ten (10) days after the Vessel was last reported or when the Vessel is posted as missing by Lloyd's, whichever occurs first. Any hire paid in advance to be adjusted accordingly.
(f) Any delay in payment of hire shall entitle the Owners to interest at the rate per annum as agreed in Box 24. If Box 24 has not been filled in, the three months interbank offered rate in London (LIBOR or its successor) for the currency stated in Box 25, as quoted by the British Bankers' Association (BBA) on the date when the hire fell due, increased by 2 per cent., shall apply.
(g) Payment of interest due under sub-clause 11(f) shall be made within seven (7) running days of the date of the Owners' invoice specifying the amount payable or, in the absence of an invoice, at the time of the next hire payment date.

12. Mortgage [see clause 48]

(only to apply if Box 28 has been appropriately filled in)

(a) The Owners warrant that they have not effected any mortgage(s) of the Vessel and that they shall not effect any mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.

(b) The Vessel chartered under this Charter is financed by a mortgage according to the Financial Instrument.

The Charterers undertake to comply, and provide such information and documents to enable the Owners to comply, with all such instructions or directions in regard to the employment, insurances, operation, repairs and maintenance of the Vessel as laid down in the Financial Instrument or as may be directed from time to time during the currency of the Charter by the mortgagee(s) in conformity with the Financial Instrument. The Charterers confirm that, for this purpose, they have acquainted themselves with all relevant terms, conditions and provisions of the Financial Instrument and agree to acknowledge this in writing in any form that may be required by the mortgagee(s). The Owners warrant that they have not effected any mortgage(s) other than stated in Box 28 and that they shall not agree to any amendment of the mortgage(s) referred to in Box 28 or effect any other mortgage(s) without the prior consent of the Charterers, which shall not be unreasonably withheld.

(Optional. Clauses 12(a) and 12(b) are alternatives; indicate alternative agreed in Box 28).

13. Insurance and Repairs

(a) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against hull and machinery, war and Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with sub-clause 10(a)(iii)) in such form as the Owners shall in writing approve, which approval shall not be unreasonably withheld. Such insurances shall be arranged by the Charterers to protect the interests of both the Owners and the Charterers and the mortgagee(s) (if any), and The Charterers shall be at liberty to protect under such insurances the interests of any managers they may appoint. Insurance policies shall cover the Owners and the Charterers according to their respective interests. Subject to the provisions of the Financial Instrument, if any, and the approval of the Owners and the insurers, the Charterers shall effect all insured repairs and shall undertake settlement and reimbursement from the insurers of all costs in connection with such repairs as well as insured charges, expenses and liabilities to the extent of coverage under the insurances herein provided for.

The Charterers also to remain be responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurances.

All time used for repairs under the provisions of sub-clauses 10 (b) and 13(a) and for repairs of latent defects ascertained

to Clause 3(e) above, including any deviation, shall be for the Charterers' account.

(b) If the conditions of the above insurances permit additional insurance to be placed by the parties, such cover shall be limited to the amount for each party set out in Box 30 and Box 31, respectively. The Owners or the Charterers as the case may be shall immediately furnish the other party with particulars of any additional insurance effected, including copies of any cover notes or policies and the written consent of the insurers of any such required insurance in any case where the consent of such insurers is necessary.

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(c) The Charterers shall upon the request of the Owners, provide information and promptly execute such documents as may be required to enable the Owners to comply with the insurance provisions of the Financial Instrument.	401 402 403 404 405	deviation, shall be for the Charterers' account and shall form part of the Charter Period.	474 475
(d) Subject to the provisions of the Financial Instrument, if any, should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 13(a), all insurance payments for such loss shall be paid to the Owners who shall hold the same on trust to distribute the moneys as soon as possible between the Owners and the Charterers according to their respective interests. The Charterers undertake to notify the Owners and the mortgagee(s), if any, of any occurrences in consequence of which the Vessel is likely to become a total loss as defined in this Clause.	406 407 408 409 410 411	The Owners shall not be responsible for any expenses as are incident to the use and operation of the Vessel for such time as may be required to make such repairs.	476 477 478
(e) The Owners shall upon the request of the Charterers, promptly execute such documents as may be required to enable the Charterers to abandon the Vessel to insurers and claim a constructive total loss.	412 413 414 415 416 417	(g) If the conditions of the above insurances permit additional insurance to be placed by the parties such cover shall be limited to the amount for each party set out in Box 30 and Box 31 respectively. The Owners or the Charterers as the case may be shall immediately furnish the other party with particulars of any additional insurance effected, including copies of any cover notes or policies and the written consent of the insurers of any such required insurance in any case where the consent of such insurers is necessary.	479 480 481 482 483 484 485 486
(f) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-clause 13(a), the value of the Vessel is the sum indicated in Box 29.	418 419 420 421 422 423 424	(h) Should the Vessel become an actual, constructive, compromised or agreed total loss under the insurances required under sub-clause 14(a), all insurance payments for such loss shall be paid to the Owners, who shall distribute the moneys between themselves and the Charterers according to their respective interests.	487 488 489 490 491 492 493 494 495
14. Insurance, Repairs and Classification	425	(i) If the Vessel becomes an actual, constructive, compromised or agreed total loss under the insurances arranged by the Owners in accordance with sub-clause 14(a), this Charter shall terminate as of the date of such loss.	496 497 498 499 500
(Optional, only to apply if expressly agreed and stated in Box 29, in which event Clause 13 shall be considered deleted).	426 427 428	(j) The Charterers shall upon the request of the Owners, promptly execute such documents as may be required to enable the Owners to abandon the Vessel to the insurers and claim a constructive total loss.	501 502 503
(a) During the Charter Period the Vessel shall be kept insured by the Owners at their expense against hull and machinery and war risks under the form of policy or policies attached hereto. The Owners and/or insurers shall not have any right of recovery or subrogation against the Charterers on account of loss of or any damage to the Vessel or her machinery or apparatus, enances covered by such insurance, or on account of payments made to discharge claims against or liabilities of the Vessel or the Owners covered by such insurance. Insurance policies shall cover the Owners and the Charterers according to their respective interests.	429 430 431 432 433 434 435 436 437 438 439	(k) For the purpose of insurance coverage against hull and machinery and war risks under the provisions of sub-clause 14(a), the value of the Vessel is the sum indicated in Box 29.	504 505 506 507
(b) During the Charter Period the Vessel shall be kept insured by the Charterers at their expense against Protection and Indemnity risks (and any risks against which it is compulsory to insure for the operation of the Vessel, including maintaining financial security in accordance with sub-clause 10(a)(iii)) in such form as the Owners shall in writing approve which approval shall not be unreasonably withheld.	440 441 442 443 444 445 446 447 448	(l) Notwithstanding anything contained in sub-clause 10(a), it is agreed that under the provisions of Clause 14, if applicable, the Owners shall keep the Vessel's Class fully up to date with the Classification Society indicated in Box 10 and maintain all other necessary certificates in force at all times.	508 509 510 511 512 513
(c) In the event that any act or negligence of the Charterers shall vitiate any of the insurance herein provided, the Charterers shall pay to the Owners all losses and indemnify the Owners against all claims and demands which would otherwise have been covered by such insurance.	449 450 451 452 453 454	15. Redelivery	514
(d) The Charterers shall, subject to the approval of the Owners or Owners' Underwriters, effect all insured repairs, and the Charterers shall undertake settlement of all miscellaneous expenses in connection with such repairs as well as all insured charges, expenses and liabilities, to the extent of coverage under the insurances provided for under the provisions of sub-clause 14(a). The Charterers to be secured reimbursement through the Owners' Underwriters for such expenditures upon presentation of accounts.	455 456 457 458 459 460 461 462 463 464	At the expiration of the Charter Period the Vessel shall be redelivered by the Charterers to the Owners at a safe and ice free port or place as indicated in Box 16 in such ready safe berth as the Owners may direct. The Charterers shall give the Owners not less than thirty (30) running days' preliminary notice of expected date, range of ports of redelivery or port or place of redelivery and not less than fourteen (14) running days' definite notice of expected date and port or place of redelivery. Any changes thereafter in the Vessel's position shall be notified immediately to the Owners.	515 516 517 518 519 520 521 522 523 524 525 526
(e) The Charterers to remain responsible for and to effect repairs and settlement of costs and expenses incurred thereby in respect of all other repairs not covered by the insurances and/or not exceeding any possible franchise(s) or deductibles provided for in the insurance.	465 466 467 468 469 470 471	The Charterers warrant that they will not permit the Vessel to commence a voyage (including any preceding ballast voyage) which cannot reasonably be expected to be completed in time to allow redelivery of the Vessel within the Charter Period. Notwithstanding the above, should the Charterers fail to redeliver the Vessel within the Charter Period, the Charterers shall pay the daily equivalent to the rate of hire stated in Box 22 plus 10 per cent or to the market rate, whichever is the higher, for the number of days by which the Charter Period is exceeded. All other terms, conditions and provisions of this Charter shall continue to apply.	527 528 529 530 531 532 533 534 535 536 537
(f) All time used for repairs under the provisions of sub-clauses 14(d) and 14(e) and for repairs of latent defects according to Clause 3 above, including any	472 473	Subject to the provisions of Clause 10 the Vessel shall be redelivered to the Owners in the same or as good structure, state, condition and class as that in which she was delivered, fair wear and tear not affecting class excepted. The Vessel upon redelivery shall have her survey cycles up to date and trading and class certificates valid for at least the number of months agreed in Box 17.	538 539 540 541 542 543 544 545
		16. Non-Lien	546

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The Charterers will not suffer, nor permit to be continued, any mortgage, any possessory lien, any maritime lien or any other encumbrance incurred by them or their agents, which might have priority over the title and interest of the Owners in the Vessel. The Charterers further agree to fasten to the Vessel in a conspicuous place and to keep so fastened during the Charter Period a notice reading as follows: "This Vessel is the property of (name of Owners). It is under charter to (name of Charterers) and by the terms of the Charter Party neither the Charterers nor the Master have any right, power or authority to create, incur or permit to be imposed on the Vessel any lien or maritime lien whatsoever."	547 548 549 550 551 552 553 554 555 556 557 558 559 560
17. Indemnity (a) The Charterers shall indemnify the Owners against any loss, damage or expense incurred by the Owners arising out of or in relation to the operation of the Vessel by the Charterers, and against any lien and/or maritime lien of whatsoever nature arising out of an event occurring during the Charter Period. If the Vessel be arrested or otherwise detained by reason of claims or liens arising out of her operation hereunder by the Charterers, the Charterers shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail. Without prejudice to the generality of the foregoing, the Charterers agree to indemnify the Owners against all consequences or liabilities arising from the Master, officers or agents signing Bills of Lading or other documents. (b) If the Vessel be arrested or otherwise detained by reason of a claim or claims against the Owners or their Affiliates, the Owners shall at their own expense take all reasonable steps to secure that within a reasonable time the Vessel is released, including the provision of bail. In such circumstances the Owners shall indemnify the Charterers against any loss, damage or expense incurred by the Charterers (including hire paid under this Charter) as a direct consequence of such arrest or detention.	561 562 563 564 565 566 567 568 569 570 571 572 573 574 575 576 577 578 579 580 581 582 583 584 585 586 587 588 589 590 591 592 593 594 595 596 597 598 599 600 601 602 603 604 605 606 607 608 609 610
18. Lien The Owners to have a lien upon all cargoes, sub-hires and sub-freights belonging or due to the Charterers or any sub-charterers and any Bill of Lading freight for all claims under this Charter, and the Charterers to have a lien on the Vessel for all moneys paid in advance and not earned.	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678
19. Salvage All salvage and towage performed by the Vessel shall be for the Charterers' benefit and the cost of repairing damage occasioned thereby shall be borne by the Charterers. The Charterers shall report any such salvage or towage to be performed to the Owners.	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678
20. Wreck Removal In the event of the Vessel becoming a wreck or obstruction to navigation the Charterers shall indemnify the Owners against any sums whatsoever which the Owners shall become liable to pay and shall pay in consequence of the Vessel becoming a wreck or obstruction to navigation.	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678
21. General Average The Owners shall not contribute to General Average.	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678
22. Assignment, Sub-Charter and Sale (a) The Charterers shall not assign this Charter nor sub-charter the Vessel on a bareboat basis except with the prior consent in writing of the Owners, which shall not be unreasonably withheld, and subject to such terms and conditions as the Owners shall approve. (b) The Owners shall not sell the Vessel during the currency of this Charter (other than the Charterer), except with the prior written consent of the Charterers, which shall not be unreasonably withheld, and subject to the buyer accepting an assignment of this Charter.	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678
23. Contracts of Carriage (a) The Charterers are to procure that all documents issued during the Charter Period evidencing the terms and conditions agreed in respect of carriage of goods shall contain a paramount clause incorporating any legislation relating to carrier's liability for cargo compulsorily applicable in the trade; if no such legislation exists, the documents shall incorporate the Hague-Visby Rules. The documents shall also contain the New Jason Clause and the Both-to-Blame Collision Clause. (b) The Charterers are to procure that all passenger tickets issued during the Charter Period for the carriage of passengers and their luggage under this Charter shall contain a paramount clause incorporating any legislation relating to carrier's liability for passengers and their luggage compulsorily applicable in the trade; if no such legislation exists, the passenger tickets shall incorporate the Athens Convention Relating to the Carriage of Passengers and their Luggage by Sea, 1974, and any protocol thereto. *) Delete as applicable.	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678
24. Bank Guarantee (Optional, only to apply if Box 27 filled in) The Charterers undertake to furnish, before delivery of the Vessel, a first class bank guarantee or bond in the sum and at the place as indicated in Box 27 as guarantee for full performance of their obligations under this Charter.	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678
25. Requisition/Acquisition (a) In the event of the Requisition for Hire of the Vessel by any governmental or other competent authority (hereinafter referred to as "Requisition for Hire") irrespective of the date during the Charter Period when "Requisition for Hire" may occur and irrespective of the length thereof and whether or not it be for an indefinite or a limited period of time, and irrespective of whether it may or will remain in force for the remainder of the Charter Period, this Charter shall not be deemed thereby or thereupon to be frustrated or otherwise terminated and the Charterers shall continue to pay the stipulated hire in the manner provided by this Charter until the time when the Charter would have terminated pursuant to any of the provisions hereof always provided however that in the event of "Requisition for Hire" any Requisition Hire or compensation received or receivable by the Owners shall be payable to the Charterers during the remainder of the Charter Period or the period of the "Requisition for Hire" whichever be the shorter. However, if the Requisition of Hire shall continue for more than 365 days, then the Charterers may, at any time thereafter, terminate this Charter. (b) In the event of the Owners being deprived of their ownership in the Vessel by any Compulsory Acquisition of the Vessel or requisition for title by any governmental or other competent authority (hereinafter referred to as "Compulsory Acquisition"), then, irrespective of the date during the Charter Period when "Compulsory Acquisition" may occur, this Charter shall be deemed terminated as of the date of such "Compulsory Acquisition". In such event Charter Hire to be considered as earned and to be paid up to the date and time of such "Compulsory Acquisition".	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678
26. War	611 612 613 614 615 616 617 618 619 620 621 622 623 624 625 626 627 628 629 630 631 632 633 634 635 636 637 638 639 640 641 642 643 644 645 646 647 648 649 650 651 652 653 654 655 656 657 658 659 660 661 662 663 664 665 666 667 668 669 670 671 672 673 674 675 676 677 678

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(a) For the purpose of this Clause, the words "War Risks" shall include any war (whether actual or threatened), act of war, civil war, hostilities, revolution, rebellion, civil commotion, warlike operations, the laying of mines (whether actual or reported), acts of piracy, acts of terrorists, acts of hostility or malicious damage, blockades (whether imposed against all vessels or imposed selectively against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever), by any person, body, terrorist or political group, or the Government of any state whatsoever, which may be dangerous or are likely to be or to become dangerous to the Vessel, her cargo, crew or other persons on board the Vessel.	679 680 681 682 683 684 685 686 687 688 689 690 691 692 693	Russia, the United Kingdom, France, and the People's Republic of China, (ii) between any two or more of the countries stated in Box 35, both the Owners and the Charterers shall have the right to cancel this Charter, whereupon the Charterers shall redeliver the Vessel to the Owners in accordance with Clause 15, if the Vessel has cargo on board after discharge thereof at destination, or if debarked under this Clause from reaching or entering it at a near, open and safe port as directed by the Owners, or if the Vessel has no cargo on board, at the port at which the Vessel then is or if at sea at a near, open and safe port as directed by the Owners. In all cases hire shall continue to be paid in accordance with Clause 11 and except as aforesaid all other provisions of this Charter shall apply until redelivery.	748 749 750 751 752 753 754 755 756 757 758 759 760 761 762 763
(b) The Vessel, unless the written consent of the Owners be first obtained, shall not continue to or go through any port, place, area or zone (whether of land or sea), or any waterway or canal, where it reasonably appears that the Vessel, her cargo, crew or other persons on board the Vessel, in the reasonable judgement of the Owners, may be, or are likely to be, exposed to War Risks, unless the insurers have granted permission for the Vessel to trade in such place/area/zone. Should the Vessel be within any such place as aforesaid, which only becomes dangerous, or is likely to be or to become dangerous, after her entry into it, the Owners shall have the right to require the Vessel to leave such area unless the insurers have granted permission for the Vessel to trade in such place/area/zone.	694 695 696 697 698 699 700 701 702 703 704	27. Commission The Shipbroker to collect from the Owner 1% (one per cent) on all gross payments made by the Charterer to the Owner as defined in Clauses, 36.4, 43.2, 43.3 and 45.1. The Charterers are entitled to reduce 1% address commission from the hire. The Owners to pay a commission at the rate indicated in Box 33 on any hire paid under the Charter. If no rate is indicated in Box 33, the commission to be paid by the Owners shall cover the actual expenses of the Brokers and a reasonable fee for their work. If the full hire is not paid owing to breach of the Charter by either of the parties the party liable therefor shall indemnify the Brokers against their loss of commission. Should the parties agree to cancel the Charter, the Owners shall indemnify the Brokers against any loss of commission but in such case the commission shall not exceed the brokerage on one year's hire.	764 765 766 767 768 769 770 771 772 773 774 775 776 777
(c) The Vessel shall not load contraband cargo, or to pass through any blockade, whether such blockade be imposed on all vessels, or is imposed selectively in any way whatsoever against vessels of certain flags or ownership, or against certain cargoes or crews or otherwise howsoever, or to proceed to an area where she shall be subject, or is likely to be subject to a belligerent's right of search and/or confiscation.	705 706 707 708 709 710 711 712 713	28. Termination (as per see Clause 46 and 47) (a) Charterers' Default The Owners shall be entitled to withdraw the Vessel from the service of the Charterers and terminate the Charter with immediate effect by written notice to the Charterers if: (i) the Charterers fail to pay hire in accordance with Clause 11. However, where there is a failure to make punctual payment of hire due to oversight, negligence, errors or omissions on the part of the Charterers or their bankers, the Owners shall give the Charterers written notice of the number of clear banking days stated in Box 34 (as recognised at the agreed place of payment) in which to rectify the failure, and when so rectified within such number of days following the Owners' notice, the payment shall stand as regular and punctual. Failure by the Charterers to pay hire within the number of days stated in Box 34 of their receiving the Owners' notice as provided herein, shall entitle the Owners to withdraw the Vessel from the service of the Charterers and terminate the Charter without further notice; (ii) the Charterers fail to comply with the requirements of (1) Clause 6 (Trading Restrictions) (2) Clause 13(a) (Insurance and Repairs) provided that the Owners shall have the option, by written notice to the Charterers, to give the Charterers a specified number of days grace within which to rectify the failure without prejudice to the Owners' right to withdraw and terminate under this Clause if the Charterers fail to comply with such notice; (iii) the Charterers fail to rectify any failure to comply with the requirements of sub-clause 10(a)(ii) (Maintenance and Repairs) as soon as practically possible after the Owners have requested them in writing so to do and in any event so that the Vessel is	778 779 780 781 782 783 784 785 786 787 788 789 790 791 792 793 794 795 796 797 798 799 800 801 802 803 804 805 806 807 808 809 810 811 812 813 814
(d) If the insurers of the war risks insurance, when Clause 14 is applicable, should require payment of premiums and/or calls because, pursuant to the Charterers' orders, the Vessel is within, or is due to enter and remain within, any area or areas which are specified by such insurers as being subject to additional premiums because of War Risks, then such premiums and/or calls shall be reimbursed by the Charterers to the Owners at the same time as the next payment of hire is due.	714 715 716 717 718 719 720 721 722 723		
(e) The Charterers shall be obliged to have the liberty to comply with all compulsory orders, directions, recommendations or advice as to departure, arrival, routes, sailing in convoy, ports of call, stoppages, destinations, discharge of cargo, delivery, or in any other way whatsoever, which are given by the Government of the Nation under whose flag the Vessel sails, or any other Government, body or group whatsoever acting with the power to compel compliance with their orders or directions.	724 725 726 727 728 729 730 731 732		
(f) In the event of outbreak of war (whether there be a declaration of war or not) (i) between any two or more of the following countries: the United States of America;	733 734 735 736 737 738 739 740 741 742 743 744 745 746 747		

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insurance cover is not prejudiced.	815	stating that it will appoint its arbitrator as sole arbitrator	887
(b) Owners' Default (Note: Clause 47)	816	unless the other party appoints its own arbitrator and	888
if the Owners shall by any act or omission be in breach	817	gives notice that it has done so within the 14 days	889
of their obligations under this Charter to the extent that	818	specified. If the other party does not appoint its own	890
the Charterers are deprived of the use of the Vessel	819	arbitrator and give notice that it has done so within the	891
and such breach continues for a period of fourteen (14)	820	14 days specified, the party referring a dispute to	892
running days after written notice thereof has been given	821	arbitration may, without the requirement of any further	893
by the Charterers to the Owners, the Charterers shall	822	prior notice to the other party, appoint its arbitrator as	894
be entitled to terminate this Charter with immediate effect	823	sole arbitrator and shall advise the other party	895
by written notice to the Owners.	824	accordingly. The award of a sole arbitrator shall be	896
(c) Loss of Vessel	825	binding on both parties as if he had been appointed by	897
This Charter shall be deemed to be terminated if the	826	agreement.	898
Vessel becomes a total loss or is declared as a	827	Nothing herein shall prevent the parties agreeing in	899
constructive or compromised or arranged total loss. For	828	writing to vary these provisions to provide for the	900
the purpose of this sub-clause, the Vessel shall not be	829	appointment of a sole arbitrator.	901
deemed to be lost unless she has either become an	830	In cases where neither the claim nor any counterclaim	902
actual total loss or agreement has been reached with	831	exceeds the sum of US\$50,000 (or such other sum as	903
her underwriters in respect of her constructive,	832	the parties may agree) the arbitration shall be conducted	904
compromised or arranged total loss or if such agreement	833	in accordance with the LMAA Small Claims Procedure	905
with her underwriters is not reached it is adjudged by a	834	current at the time when the arbitration proceedings are	906
competent tribunal that a constructive loss of the Vessel	835	commenced.	907
has occurred.	836	(b) This Contract shall be governed by and construed	908
(d) Either party shall be entitled to terminate this	837	in accordance with Title 9 of the United States Code	909
Charter with immediate effect by written notice to the	838	and the Maritime Law of the United States and any	910
other party in the event of an order being made or	839	dispute arising out of or in connection with this Contract	911
resolution passed for the winding up, dissolution,	840	shall be referred to three persons at New York, one to	912
liquidation or bankruptcy of the other party (otherwise	841	be appointed by each of the parties hereto, and the third	913
than for the purpose of reconstruction or amalgamation)	842	by the two so chosen, their decision or that of any two	914
or if a receiver is appointed, or if it suspends payment,	843	of them shall be final, and for the purposes of enforcing	915
ceases to carry on business or makes any special	844	any award, judgement may be entered on an award by	916
arrangement or composition with its creditors.	845	any court of competent jurisdiction. The proceedings	917
(e) The termination of this Charter shall be without	846	shall be conducted in accordance with the rules of the	918
prejudice to all rights accrued due between the parties	847	Society of Maritime Arbitrators, Inc.	919
prior to the date of termination and to any claim that	848	In cases where neither the claim nor any counterclaim	920
either party might have.	849	exceeds the sum of US\$50,000 (or such other sum as	921
	850	the parties may agree) the arbitration shall be conducted	922
29. Repossession	851	in accordance with the Shortened Arbitration Procedure	923
In the event of the termination of this Charter in	852	of the Society of Maritime Arbitrators, Inc. current at	924
accordance with the applicable provisions of Clauses 28		the time when the arbitration proceedings are commenced.	925
46 and 47,		(c) This Contract shall be governed by and construed	926
the Owners shall have the right to repossess the Vessel	853	in accordance with the laws of the place mutually agreed	927
from the Charterers at her current or next port of call, or	854	by the parties and any dispute arising out of or in	928
at a port or place convenient to them without hindrance	855	connection with this Contract shall be referred to	929
or interference by the Charterers, courts or local	856	arbitration at a mutually agreed place, subject to the	930
authorities. Pending physical repossession of the Vessel	857	procedures applicable there.	931
in accordance with this Clause 29, the Charterers shall	858	(d) Notwithstanding (a), (b) or (c) above, the parties	932
hold the Vessel as gratuitous bailee only to the Owners.	859	may agree at any time to refer to mediation any	933
The Owners shall arrange for an authorised represent-	860	difference and/or dispute arising out of or in connection	934
ative to board the Vessel as soon as reasonably	861	with this Contract.	935
practicable following the termination of the Charter. The	862	In the case of a dispute in respect of which arbitration	936
Vessel shall be deemed to be repossessed by the	863	has been commenced under (a), (b) or (c) above, the	937
Owners from the Charterers upon the boarding of the	864	following shall apply:	938
Vessel by the Owners' representative. All arrangements	865	(i) Either party may at any time and from time to time	939
and expenses relating to the settling of wages,	866	elect to refer the dispute or part of the dispute to	940
disembarkation and repatriation of the Charterers'	867	mediation by service on the other party of a written	941
Master, officers and crew shall be the sole responsibility	868	notice (the "Mediation Notice") calling on the other	942
of the Charterers.	869	party to agree to mediation.	943
	870	(ii) The other party shall thereupon within 14 calendar	944
30. Dispute Resolution [as per Clause 59]		days of receipt of the Mediation Notice confirm that	945
(a) This Contract shall be governed by and construed	871	they agree to mediation, in which case the parties	946
in accordance with English law and any dispute arising	872	shall thereafter agree a mediator within a further	947
out of or in connection with this Contract shall be referred	873	14 calendar days, failing which on the application	948
to arbitration in London in accordance with the Arbitration	874	of either party a mediator will be appointed promptly	949
Act 1996 or any statutory modification or re-enactment	875	by the Arbitration Tribunal ("the Tribunal") or such	950
thereof save to the extent necessary to give effect to	876	person as the Tribunal may designate for that	951
the provisions of this Clause.	877	purpose. The mediation shall be conducted in such	952
The arbitration shall be conducted in accordance with	878	place and in accordance with such procedure and	953
the London Maritime Arbitrators Association (LMAA)	879	on such terms as the parties may agree or, in the	954
Terms current at the time when the arbitration proceed-	880	event of disagreement, as may be set by the	955
ings are commenced.	881	mediator.	956
The reference shall be to three arbitrators. A party	882	(iii) If the other party does not agree to mediate, that	957
wishing to refer a dispute to arbitration shall appoint its	883	fact may be brought to the attention of the Tribunal	958
arbitrator and send notice of such appointment in writing	884	and may be taken into account by the Tribunal when	959
to the other party requiring the other party to appoint its	885	allocating the costs of the arbitration as between	960
own arbitrator within 14 calendar days of that notice and	886	the parties.	961

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- (iv) The mediation shall not affect the right of either party to seek such relief or take such steps as it considers necessary to protect its interest. 962
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- (v) Either party may advise the Tribunal that they have agreed to mediation. The arbitration procedure shall continue during the conduct of the mediation but the Tribunal may take the mediation timetable into account when setting the timetable for steps in the arbitration. 965
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- (vi) Unless otherwise agreed or specified in the mediation terms, each party shall bear its own costs incurred in the mediation and the parties shall share equally the mediator's costs and expenses. 972
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- (vii) The mediation process shall be without prejudice and confidential and no information or documents disclosed during it shall be revealed to the Tribunal except to the extent that they are disclosable under the law and procedure governing the arbitration. 976
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- (Note: The parties should be aware that the mediation process may not necessarily interrupt time limits.) 982
- (e) If Box 35 in Part I is not appropriately filled in, sub-clause 30(a) of this Clause shall apply. Sub-clause 30(d) shall apply in all cases. 983
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- ~~* Sub-clauses 30(a), 30(b) and 30(c) are alternatives. indicate alternative agreed in Box 35.~~
31. Notices (as per Clause 60) 987
- (a) Any notice to be given by either party to the other party shall be in writing and may be sent by fax, telex, registered or recorded mail or by personal service. 988
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- (b) The address of the Parties for service of such communication shall be as stated in Boxes 3 and 4 respectively. 992
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OPTIONAL
PART

PART III **PROVISIONS TO APPLY FOR NEWBUILDING VESSELS ONLY** *(Optional, only to apply if expressly agreed and stated in Box 37)*

1. Specifications and Building Contract

(a) The Vessel shall be constructed in accordance with the Building Contract (hereafter called "the Building Contract" as defined in Clause 33) as annexed to this Charter, made between the Builders and the Owners and in accordance with the specifications and plans annexed thereto, such Building Contract, specifications and plans having been countersigned as approved by the Charterers.

(b) No change shall be made in the Building Contract or in the specifications or plans of the Vessel as approved by the Charterers as aforesaid, without the Charterers' consent.

(c) The Charterers shall have the right to send their representative to the Builders' Yard to inspect the Vessel during the course of her construction to satisfy themselves that construction is in accordance with such approved specifications and plans as referred to under sub-clause (a) of this Clause.

(d) The Vessel shall be built in accordance with the Building Contract and shall be of the description set out therein. Subject to the provisions of sub-clause 2(c)(ii) hereunder, the Charterers shall be bound to accept the Vessel from the Owners, completed and constructed in accordance with the Building Contract, on the date of delivery by the Builders. The Charterers undertake that having accepted the Vessel they will not thereafter raise any claims against the Owners in respect of the Vessel's performance or specification or defects, (except for the defects covered by the warranty), if any. Nevertheless, in respect of any repairs, replacements or defects which appear within the first 12 months from delivery by the Builders, the Owners shall endeavour to compel the Builders to repair, replace or remedy any defects or to recover from the Builders any expenditure incurred in carrying out such repairs, replacements or remedies. However, the Owners' liability to the Charterers shall be limited to the extent the Owners have a valid claim against the Builders under the guarantee clause of the Building Contract (a copy whereof has been supplied to the Charterers). The Charterers shall be bound to accept such sums as the Owners are reasonably able to recover under this Clause and shall make no further claim on the Owners for the difference between the amount(s) so recovered and the actual expenditure on repairs, replacement or remedying defects or for any loss of time incurred. Any liquidated damages for physical defects or deficiencies shall accrue to the account of the party stated in Box 41(a) or if not filled in shall be shared equally between the parties. The costs of pursuing a claim or claims against the Builders under this Clause (including any liability to the Builders) shall be borne by the party stated in Box 41(b) or if not filled in shall be shared equally between the parties.

2. Time and Place of Delivery - see Clause 34

(a) Subject to the Vessel having completed her acceptance trials including trials of cargo equipment in accordance with the Building Contract and specifications to the satisfaction of the Charterers, the Owners shall give and the Charterers shall take delivery of the Vessel afloat when ready for delivery and properly documented at the Builders' Yard or some other safe and readily accessible dock, wharf or place as may be agreed between the parties hereto and the Builders. Under the Building Contract the Builders have estimated that the Vessel will be ready for delivery to the Owners as therein provided but the delivery date for the purpose of this Charter shall be the date when the Vessel is in fact ready for delivery by the Builders after completion of trials whether that be before or after as indicated in the Building Contract. The Charterers shall not

be entitled to refuse acceptance of delivery of the Vessel and upon and after such acceptance, subject to Clause 4(d), the Charterers shall not be entitled to make any claim against the Owners in respect of any conditions, representations or warranties, whether express or implied, as to the seaworthiness of the Vessel or in respect of delay in delivery.

(b) If for any reason other than a default by the Owners under the Building Contract, the Builders become entitled under that Contract not to deliver the Vessel to the Owners, the Owners shall upon giving to the Charterers written notice of Builders becoming so entitled, be excused from giving delivery of the Vessel to the Charterers and upon receipt of such notice by the Charterers this Charter shall cease to have effect.

(c) If for any reason the Owners become entitled under the Building Contract to reject the Vessel the Owners shall, before exercising such right of rejection, consult the Charterers and thereupon

(i) if the Charterers do not wish to take delivery of the Vessel they shall inform the Owners within seven (7) running days by notice in writing and upon receipt by the Owners of such notice this Charter shall cease to have effect, or

(ii) if the Charterers wish to take delivery of the Vessel they may by notice in writing within seven (7) running days require the Owners to negotiate with the Builders as to the terms on which delivery should be taken and/or refrain from exercising their right to rejection and upon receipt of such notice the Owners shall commence such negotiations and/or take delivery of the Vessel from the Builders and deliver her to the Charterers.

(iii) In no circumstances shall the Charterers be entitled to reject the Vessel unless the Owners are able to reject the Vessel from the Builders.

(iv) If this Charter terminates under sub-clause (b) or (c) of this Clause, the Owners shall thereafter not be liable to the Charterers for any claim under or arising out of this Charter or its termination.

(d) Any liquidated damages for delay in delivery under the Building Contract and any costs incurred in pursuing a claim therefor shall accrue to the account of the party stated in Box 41(c) or if not filled in shall be shared equally between the parties.

3. Guarantee Works

If not otherwise agreed, the Owners authorise the Charterers to arrange for the guarantee works to be performed in accordance with the building contract terms, and hire to continue during the period of guarantee works. The Charterers have to advise the Owners about the performance to the extent the Owners may request.

4. Name of Vessel

The name of the Vessel shall be mutually agreed between the Owners and the Charterers and the Vessel shall be painted in the colours, display the funnel insignia and fly the house flag as required by the Charterers.

5. Survey on Redelivery

The Owners and the Charterers shall appoint surveyors for the purpose of determining and agreeing in writing the condition of the Vessel at the time of re-delivery. Without prejudice to Clause 15 (Part II), the Charterers shall bear all survey expenses and all other costs, if any, including the cost of docking and undocking, if required, as well as all repair costs incurred. The Charterers shall also bear all loss of time spent in connection with any docking and undocking as well as repairs, which shall be paid at the rate of hire per day or pro-rata.

"BARECON 2001" Standard Bareboat Charter

OPTIONAL
PARTPART IV
HIRE/PURCHASE AGREEMENT

(Optional, only to apply if expressly agreed and stated in Box 42)

On expiration of this Charter and provided the Charterers have fulfilled their obligations according to Part I and II as well as Part III, if applicable, it is agreed, that on payment of the final payment of hire as per Clause 11 the Charterers have purchased the Vessel with everything belonging to her and the Vessel is fully paid for.

In the following paragraphs the Owners are referred to as the Sellers and the Charterers as the Buyers.

The Vessel shall be delivered by the Sellers and taken over by the Buyers on expiration of the Charter.

The Sellers guarantee that the Vessel, at the time of delivery, is free from all encumbrances and maritime liens or any debts whatsoever other than those arising from anything done or not done by the Buyers or any existing mortgage agreed not to be paid off by the time of delivery. Should any claims, which have been incurred prior to the time of delivery be made against the Vessel, the Sellers hereby undertake to indemnify the Buyers against all consequences of such claims to the extent it can be proved that the Sellers are responsible for such claims. Any taxes, notarial, consular and other charges and expenses connected with the purchase and registration under Buyers' flag, shall be for Buyers' account. Any taxes, consular and other charges and expenses connected with closing of the Sellers' register, shall be for Sellers' account.

In exchange for payment of the last month's hire instalment the Sellers shall furnish the Buyers with a Bill of Sale duly attested and legalized, together with a certificate setting out the registered encumbrances, if any. On delivery of the Vessel the Sellers shall provide for deletion of the Vessel from the Ship's Register and deliver a certificate of deletion to the Buyers. The Sellers shall, at the time of delivery, hand to the Buyers all classification certificates (for hull, engines, anchors, chains, etc.), as well as all plans which may be in Sellers' possession.

The Wireless Installation and Nautical Instruments, unless on hire, shall be included in the sale without any extra payment.

The Vessel with everything belonging to her shall be at Sellers' risk and expense until she is delivered to the Buyers, subject to the conditions of this Contract and the Vessel with everything belonging to her shall be delivered and taken over as she is at the time of delivery, after which the Sellers shall have no responsibility for possible faults or deficiencies of any description.

The Buyers undertake to pay for the repatriation of the Master, officers and other personnel if appointed by the Sellers to the port where the Vessel entered the Bareboat Charter as per Clause 3 (Part II) or to pay the equivalent cost for their journey to any other place.

PART V

PROVISIONS TO APPLY FOR VESSELS REGISTERED IN A BAREBOAT CHARTER REGISTRY
 (Optional, only to apply if expressly agreed and stated in Box 43)

1. Definitions

For the purpose of this PART V, the following terms shall have the meanings hereby assigned to them:

"The Bareboat Charter Registry" shall mean the registry of the State whose flag the Vessel will fly and in which the Charterers are registered as the bareboat charterers during the period of the Bareboat Charter.

"The Underlying Registry" shall mean the registry of the state in which the Owners of the Vessel are registered as Owners and to which jurisdiction and control of the Vessel will revert upon termination of the Bareboat Charter Registration.

2. Mortgage

The Vessel chartered under this Charter is financed by a mortgage and the provisions of Clause 12(b) (Part II) shall apply.

3. Termination of Charter by Default

If the Vessel chartered under this Charter is registered in a Bareboat Charter Registry as stated in Box 44, and if the Owners shall default in the payment of any amounts due under the mortgage(s) specified in Box 28, the Charterers shall, if so required by the mortgagee, direct the Owners to re-register the Vessel in the Underlying Registry as shown in Box 46.
 In the event of the Vessel being deleted from the Bareboat Charter Registry as stated in Box 44, due to a default by the Owners in the payment of any amounts due under the mortgage(s), the Charterers shall have the right to terminate this Charter forthwith and without prejudice to any other claim they may have against the Owners under this Charter.



32. **Interpretation**

32.1 The following Clauses shall be deemed to be incorporated as an integral part of the Charter. In the event of any conflict between the provisions of these Additional Clauses and the printed provisions of the Charter, the provisions of these Additional Clauses hereunder shall prevail to the extent of such conflict but no further.

32.2 The captions and headings of Clauses herein are inserted for convenience only and shall not be construed to have any restrictive effect on the text herein.

33. **Additional Definitions**

The following expressions have the following meanings:

Affiliate	In relation to any entity ("first entity"), any other entity which directly or indirectly Controls the first entity; is Controlled by the first entity; or is Controlled by an entity which Controls the first entity.
Assignment of Insurance	The assignment of the relevant Insurances and the relevant Requisition Compensation executed or to be executed by the Charterers in favour of the Owners in form and substance acceptable to the Owners
Assigned Rights	All of the Owner's rights, title, interest and all its benefits present and future in and under Article IV (<i>Supervision and Inspection</i>), V (<i>Modification, Changes and Extras</i>), VI (<i>Trials</i>) and IX (<i>Warranty of Quality</i>) under the Building Contract;
Builder	Jiangsu New Yangzi Shipbuilding Co., Ltd and Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd., and Jiangsu Tianyuan Marine Import & Export Co., Ltd, see Clause 34.4
Building Contract	Means the shipbuilding contract dated 23 rd July 2013 made by and between the Owners as the buyer and the Builder as seller bearing CONTRACT NO.: in respect of the building and sale and



purchase of the Vessel.

Business Day	Means a day other than a Saturday or Sunday or public or bank holiday on which the banks in New York, London, Athens and Shanghai are open for business generally.
Classification Society	Lloyd's Register
Collateral Charter	Means the Bareboat Charter Party dated, 2013 by and between Pisces Shipping Pte. Ltd as owner and GMI Resources (Singapore) Pte Limited as charterer in respect of one (1) 82,000DWT Bulk Carrier bearing the Builder's Hull Number YZJ2013-1066.
Collateral Charterer's Default	Means the Charterer's Default as defined in the Collateral Charter
Collateral Owner's Default	Means the Owner's Default as defined in the Collateral Charter
Conditional Assigned Rights	All of the Owner's rights, title, interest and all its benefits present and future in and under Article X (<i>Cancellation, Rejection and Rescission by the Buyer</i>) and Article XII (INSURANCE) Section 2 Part (b) Total Loss, of the Building Contract and the Refund Guarantee and in all moneys payable by the Builder and/or the Refund Guarantor to the Owner thereunder including, without prejudice to the generality of the foregoing, all claims for damages in respect of any breach by the Builder of the Construction Contract or by the Guarantor Bank of the Refund Guarantee
Control	Means the power of a person to secure that the affairs of a body corporate or limited liability company are conducted in accordance with the wishes of that person: (a) by means of the holding of



shares, or the possession of voting power, in or in relation to that or any other body corporate or limited liability company; or

(b) by virtue of any powers conferred by the constitutional or corporate documents, or any other document, regulating that or any other body corporate or limited liability company.

Delivery Date	Means the date on which the Vessel is actually delivered to the Charterers as evidenced by the Protocol of Delivery and Acceptance in accordance with Clause 34.3
Facility Agreement	Means the loan facility agreement to be entered into by and between the Owner as borrower and a mortgagee of the Vessel as lender in relation to financing of the Vessel.
Flag State	Singapore (the "Flag State")
Liquidated Damage	Means the amount induced on daily basis at the rate of USD 1,986 (Say United States Dollars One Thousand, Nine Hundred and Eighty Six Only) per day for the time period from the date when the Owner's receipt of the termination or rescission notice given by the Charterers in accordance with Clause 47.2 till the eighth anniversary of the Delivery Date.
Manager	Means first class manager as may be appointed by the Charterer, with the prior written consent of the Owner, as the manager of the Vessel. Prior written consent of the Owner, not to be unreasonably withheld or delayed.
Manager's Undertaking	In relation to the Vessel, an undertaking executed or to be executed by the Manager in favour of the Owners in form and substance acceptable to the Owners

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Upfront Charter-Hire

The sum of USD 5,800,000 (being the total amount of the instalments under Clause 43), ignoring any deduction from the instalments on account of liquidated damages or otherwise

Refund Guarantee

Means the Refund Guarantee issued by Agricultural Bank of China in accordance with the Building Contract

Refund Guarantor

Agricultural Bank of China

Shipyard

Jiangsu New Yangzi Shipbuilding Co., Ltd and Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd., see Clause 34.4

ton, or t

A metric ton

Vessel

One (1) 82,000DWT Bulk Carrier bearing the Builder's Hull Number YZJ2013-1065 more fully described the Building Contract thereof, to be constructed by the Owners on the terms set out in this Charter

34. Delivery

34.1 The Vessel shall be delivered by the Owners and taken over by the Charterers simultaneously with the delivery between the Builders and the Owners provided always that:

- (a) The Vessel has been constructed in accordance with the Building Contract.
- (b) A set of documents necessary for the seaworthiness of the Vessel including but not limited to class and trading certificates, plans and instruction books etc. are handed to the Charterers. However, the Charterers shall provide to the Owners all necessary certificates, documents and information required for timely registration and vessel delivery from the Builder.
- (c) It is unconditionally agreed between the Charterers and the Owners that the Owners' only obligation is to deliver the Vessel to the Charterers in the same condition and with the same equipment as delivered to the Owners by the Builder under the Building Contract provided that the Charterer's written confirmation of their acceptance of the Vessel has been received by the Owners. To the extent that the "Buyers' Supplied items" (as defined in the



Building Contract and specifications) hereof, the Charterers shall be responsible for the procurement and supply of all "Buyer's Supplied Items" at their sole cost and expenses.

34.2 Under the Building Contract the Builders have estimated that the Vessel will be ready for delivery to the Owners as therein provided but the delivery date for the purpose of this Charter shall be the date when the Vessel is in fact ready for delivery by the Builders to the Owners after completion of trials whether that be before or after as indicated in the Building Contract. The date of delivery for the purpose of this Charter shall be the date when the Ship is actually delivered by the Builders to the Owners pursuant to the Building Contract notwithstanding the date in Box 14 of Part I of this Charter. The Owner shall not under any circumstance be responsible for any losses or damage as a result of any delay in delivery of the Ship to the Charterer for whatsoever reason.

34.3 At the time of delivery, the Owners and the Charterers shall sign a Protocol of Delivery and Acceptance evidencing the same, and the Vessel shall be on hire upon signing of the Protocol of Delivery and Acceptance.

34.4 Charterers shall carry out a technical visit/inspection of Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd., and declare their approval no later than 31st December 2013. It is mutually understood and acknowledged that the construction of the Vessel shall not take place at Jiangsu Yangzi Xinfu Shipbuilding Co., Ltd., unless Charterers declare their approval and if this is the case construction of the Vessel will remain at Jiangsu New Yangzi Shipbuilding Co., Ltd.

35. **Condition Precedent**

35.1 The Owners shall not be obliged to charter the Vessel to the Charterers in accordance with the terms and conditions of this Charter unless the Owners, on or before the Delivery Date, have received all of the documents and other evidences listed in Part III of Schedule I (*Conditions Precedent*) in form and substance satisfactory to the Owners.

35.2 The conditions precedent set out in Part III Schedule I (*Conditions Precedent*) and this Clause 35 are for the sole benefit of the Owners and may be waived by the Owners in whole or in part, with or without conditions, on or before the Delivery Date without prejudice to the right of the Owners to require fulfilment of such conditions in whole or in part at any time thereafter.

36. **Hire**

36.1 The Charterers shall pay hire due to the Owners punctually in accordance with the terms of this Charter. The Charterers' obligation to pay Hire under this Charter shall be absolute and unconditional under all circumstances (including but not limited to any part of lay-up period if any).



- 36.2 In the event that the Contract Price under the Building Contract is (on the net basis) adjusted upwards in accordance with Article III (*Adjustment of the Contract Price*) of the Building Contract, the Charterers shall, on or before the Delivery Date, pay to the Owner an additional upfront charter-hire payment (the "**Additional Upfront Charter-hire**") in the full amount of such upwards adjustment;
- 36.3 In the event that the Contract Price under the Building Contract is (on the net basis) adjusted downwards in accordance with Article III (*Adjustment of the Contract Price*) of the Building Contract, the amount of the adjustment shall be paid on the Delivery Date;
- 36.4 The Charterers shall pay to the Owners for the hire of the Vessel at a daily rate and pro rata for part of a day as follows:
- (a) from the Delivery Date and until and including the fourth anniversary of delivery: USD 6,633 (United States Dollars six thousand six hundred and thirty three); then
 - (b) from the day next following and until and including the eighth anniversary of delivery: USD 7,653 (United States Dollars seven thousand six hundred and fifty three); and then
 - (c) no further hire shall be payable until redelivery.
- 36.5 Hire shall be paid continuously throughout the Charter Period.
- 36.6 Hire shall be paid 30 days in advance, the first payment on the date of delivery and each successive payment on the first day of each successive period of 30 days.
- 36.7 Payment of hire shall be made in cash without discount in the currency and in the manner indicated in Box 25 and at the place mentioned in Box 26.
- 36.8 Final payment of hire, if for a period of less than thirty (30) running days, shall be calculated proportionally according to the number of days and hours remaining before redelivery and advance payment to be effected accordingly. Should any hire nevertheless be overpaid, the Owners shall refund the same on redelivery.
- 36.9 All payments of hire shall be made on a Business Day. If the due date for payment falls on a day which is not a Business Day, payment shall fall due and be made on the immediately succeeding Business Day.
37. **Notice for Inspection and Information regarding itinerary**
- 37.1 In respect of any inspection under Clause 8 the Owners shall advise the Charterers three (3) Banking Days in advance of the intended inspection, provided always that no such inspection shall hamper or delay the Vessel.
- 37.2 The Charterers shall advise the Owners of the Vessel's itinerary and employment whenever requested by the Owners in writing during the Charter Period.

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38. **Lay-up Clause**

38.1 The Charterers shall have the option of laying up the Vessel for all or any portion (exceeding 30 days) of the Charter Period, in which case Hire hereunder shall continue to be paid in full. In case of lay-up, the Charterers shall arrange for docking of the Vessel at their cost prior to Vessel being put back to service.

38.2 The lay up port or place shall be at the Charterers' option but shall always be safe and acceptable to the Owners and the insurers. All cost and expenses incurred shall be for the Charterers account.

38.3 The Charterers shall keep the Owners well informed of their intention and arrangement regarding lay up.

39. **Repair and Improvement**

39.1 Charterers shall repair the Vessel as required by Clause 13.

39.2 All class related repairs should be done under the supervision of the Classification Society and to the classification surveyors' satisfaction. All repairs should be arranged/done timely and properly.

39.3 In any case of casualty or accident for which estimated damages exceed the amount of USD1,000,000 the Charterers shall notify the Owners promptly with full details and information as to repair arrangement.

40. **Taxes during Charter Period**

The following apply during the Charter Period

40.1 All taxes/dues on cargo and/or freight/vessel and/or hire to be for Charterers' account, except corporation or income taxes or similar taxes or taxes on the hire levied in Singapore. All dues, duties, charges and/or taxes on crew and/or stores etc to be for Charterers' account.

41. **Charterers' General Covenants**

The Charterers covenant with the Owners and undertake throughout the Charter Period that:

41.1 The Charterers shall provide the Owner with all the documents listed in Part I of Schedule I (*Condition Precedent*) in form and substance satisfactory to the Owners.

41.2 They will provide the Owners with such information concerning the Vessel as the Owners may from time to time reasonably require including (without limitation) information regarding the employment, condition, geographical position and crewing of the Vessel;

41.3 They will obtain and promptly renew from time to time, and will, whenever so reasonably requested by the Owners in writing, promptly furnish copies to the Owners of all such authorizations, approvals, consents and licenses (if any) as may be



required under any applicable law or regulation to enable the Charterers to perform their obligations under this Charter or required for the validity or enforceability of this Charter, and the Charterers shall in all material respects comply with the terms of the same.

41.4 They will notify the Owners forthwith by telex or telefax of:

- (a) any accident to the Vessel or incident which is or is likely to be a total loss or a constructive or compromised or arranged total loss;
- (b) any occurrence resulting in the Vessel becoming or being likely to become a total loss or a constructive or compromised or arranged total loss;
- (c) any requirement or recommendation made by any insurer or classification society, or by any competent authority, which is not complied with within any time limit imposed by such insurer, classification society or authority; and
- (d) any arrest of the Vessel, or the exercise or purported exercise of any lien on the Vessel or any requisition of the Vessel for hire;

41.5 Acknowledge and confirm that the Vessel shall remain the property of the Owners unless and until purchased by Owners under Clause 43, and that the Charterers shall otherwise have no rights or interest therein otherwise than as Charterers hereunder and that the Charterers shall at no time do or permit to be done any act or thing which might prejudice the rights of the Owners in and to the Vessel;

41.6 The Charterers will provide the Owners with audited annual reports within 180 days from the year end and un-audited semi-annual reports certified by CFO within 90 days from half year end.

42. Ship management and maintenance

42.1 The Charterers are fully responsible for ship management (including crew and insurance arrangements and all other requirements for the Vessel) at their own risks and expenses.

42.2 The Charterers will procure that the Vessel is managed at all times only by a duly qualified affiliate of the Charterers or such managers which have been previously approved in writing by the Owners (such approval not to be unreasonably withheld).

42.3 The Charterers shall maintain the Vessel in accordance with the requirements of the Classification Society and to a standard not less than that to which the Charterers maintain the other vessels owned or managed by themselves or their Affiliates.

42.4 The Charterers warrant that they will during the whole Charter Period always comply well with all compulsory provisions, regulations, laws, orders, clauses, compulsory recommendations, directions whatsoever which may be given by any government, federal, state or municipal or other division or authority, competent authority at any



time in any port/place/country in relation to use/operation of the Vessel, including but not limited to be fully compliant with the regulations and requirements of the ISPS code (International Ship and Port Facility Security code) and ISM in every respects, all costs/expenses incurred to be for the Charterers' account. The Charterers also warrant that they shall at all times hold the Owners harmless and keep the Owners free of any liabilities, losses, penalties, claims, proceedings, duties and/or fees, whatsoever arising from the use/operation of the Vessel and cargo operation anytime in any case under this Charter.

- 42.5 The Charterers warrant that they shall on or prior to the Delivery Date provide the Owners with the Manager's Undertaking duly executed by the Manager.

43. **Sale and Purchase**

- 43.1 The Charterers have the option to purchase the Vessel at any time on or after delivery ("**Purchase Option**") , The Purchase Option may be exercised by the Charterers giving notice in writing to the Owners, not less than three months before the date ("**Declared Date**") on which they choose to purchase the Vessel. Notice once given shall be irrevocable and binding on both parties.

- 43.2 If the Purchase Option is exercised, the price ("**Purchase Price**") shall be the Purchase Price for the Declared Date according to the following table.

Date (each shall be referred to as the "Purchase Option Date" and collectively the "Purchase Option Dates")	Purchase Price
On delivery	USD 22,350,000.00
Six months	USD 21,820,000.00
First anniversary	USD 21,270,000.00
Eighteen months	USD 20,710,000.00
Second anniversary	USD 20,130,000.00
Thirty months	USD 19,530,000.00
Third anniversary	USD 18,910,000.00
Forty – two months	USD 18,280,000.00
Fourth Anniversary	USD 17,620,000.00
Fifty-four months	USD 16,760,000.00

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Fifth Anniversary	USD 15,880,000.00.
Sixty six months	USD 14,960,000.00
Sixth Anniversary	USD 14,020,000.00.
Seventy eight months	USD13,050,000.00
Seventh anniversary	USD 12,060,000.00.
Ninety months	USD 11,030,000.00

- 43.3 If they do not exercise the Purchase Option, the Charterers are unconditionally obliged to purchase the Vessel on the eighth anniversary of delivery at a Purchase Price of USD 10,000,000.00.
- 43.4 On any sale under this Clause 43, the Owners shall sell, and the Charterers shall buy, the Vessel on the terms as attached as Annex C .
44. **General undertakings by the Owners**
- 44.1 The Owners undertake that until the end of the Charter Period:
- (a) The Owners shall provide the Charterers with all the documents listed in Part II of Schedule I (*Condition Precedent*) in form and substance satisfactory to the Charterers.
 - (b) The Owners shall remain under the sole Control of Yangzijiang Shipping Pte. Ltd and the sole legal and beneficial shareholder shall be Yangzijiang Shipping Pte. Ltd.
 - (c) The Owners shall undertake no business other than the ownership and financing of the Vessel, and shall incur no obligations or liabilities and own no property except for this purpose.
 - (d) The Owners shall not (except as expressly provided for in this Charter) and their Affiliates shall not interfere with the quiet and peaceful use, possession and employment of the Vessel by the Charterers.
 - (e) At any time during the Charter Period, the amount of the outstanding principle advanced by the Owner in relation to the Vessel under the Facility Agreement shall be no more than the aggregate amount of the Purchase Price on the immediate preceding Purchase Option Date and the Upfront Charter-Hire.
45. **Upfront Charter-Hire and Refund of Upfront Charter-Hire**
- 45.1 The Charterers shall pay to the Owners the Upfront Charter-Hire in installments in the manner set out as follows:



- (a) The first instalment in the amount of United States Dollars One Million Four Hundred and Fifty Thousand only (US\$1,450,000.00), shall become due and payable and be paid by the Charterers within two (2) Banking Days after the Charterers have received a copy of the Notice of Assignment sent by the Owners to the Refund Guarantor and a copy of the Refund Guarantee. Jiangsu Tianyuan Marine Import & Export Co., Ltd shall confirm to the Charterers receipt of the amount either by fax or email .
 - (b) The 2nd instalment in the amount of United States Dollars One Million Four Hundred and Fifty Thousand only (US\$1,450,000.00), shall become due and payable and be paid by the Charterers within two (2) Banking Days after the Charterers have received an e-mailed or telefaxed written payment demand from the Owners together with a certificate issued by Lloyd's Registry stating that the first steel plate has been cut in Builder's workshop (which is to take place not earlier than 14 months prior to the contractual delivery date stipulated in the Building Contract as annexed hereto). Jiangsu Tianyuan Marine Import & Export Co., Ltd shall confirm to the Charterers receipt of the amount either by fax or email
 - (c) The third instalment in the amount of United States Dollars Two Million Nine Hundred Thousand only (US\$2,900,000.00), shall become due and payable and be paid by the Charterers within two (2) banking days after the Charterers have received a e-mailed or telefaxed written payment demand from the Owner together with a certificate issued by Lloyd's Registry stating that the launching of the Vessel has been carried out (which is to take place not earlier than 6 months prior to the contractual delivery date stipulated in the Building Contract as annexed hereto). Jiangsu Tianyuan Marine Import & Export Co., Ltd shall confirm to the Charterers receipt of the amount either by fax or email
 - (d) All payments made by the Charterers prior to delivery of the Vessel shall be in the nature of advance to the Owners, and in the event this Charter Party is rescinded or cancelled by the Charterers in accordance with the terms of this Charter Party permitting such rescission or cancellation, the Owners shall refund to the Charterers in United States Dollars the full amount of all sums already paid by the Charterers to the Owners under this Charter Party, together with interest (at the rate set out in respective provision thereof) from the respective payment date(s) to the date of remittance by telegraphic transfer of such refund to the account specified by the Charterers.
- 45.2 Upon the delivery of the Vessel from the Owners to the Charterers, all above mentioned instalments shall automatically become the sole property and benefit of the Owners and will not under any circumstances be refundable to the Charterers In the event that the Owners fail to deliver the Vessel to the Charterers on or before (the "Final Delivery Date", such date shall be automatically extended in accordance with the relevant articles contained in the Building Contract) due to any reason which cannot be attributed to the Charterers (the "Owner's Termination Event"), the



Owners shall thereupon (and without limitation to any other right of the Owners) repay to the Charterers the amount of the Upfront Charter-Hire, plus interest at the annual rate of: fixed 5% .

- 45.3 The Owners will pay the Liquidated Damages to the Charterers within 30 Banking Days from the Owner's receipt of the termination or rescission notice given by the Charterers in accordance with Clause 47.2 , unless the termination of the Charter is by reason of default by the Charterers.

46. **Termination for Charterers' default**

- 46.1 The Owners shall (in addition to any other rights they may have in relation to the event in question) be entitled to withdraw the Vessel from the service of the Charterers and terminate the Charter with immediate effect by written notice to the Charterers if any of the following occur (which shall constitute a repudiatory breach of contract) (in each case "**Charterers Default**"):

- (a) If the first instalment of the Upfront Charter-Hire is not received by the Owners in accordance with Clause 45.1(a), and the default is not remedied within **15 Banking Days** after Owners' notice to the Charterers in respect of the default; or
- (b) If the second or third instalment of the Upfront Charter-Hire is not received by the Owners within five (5) Banking Days after each due date thereof and the default is not remedied within 15 Banking Days after Owners' notice to the Charterers in respect of the default , or
- (c) If the Charterers fails to take delivery of the Vessel, when the Vessel is duly tendered for delivery by the Owners under the provisions of Clause 34 hereof, or
- (d) If any other payment of hire under this Charter is not paid within 5 Banking Days following its due date;
- (e) If the Charterers fail to comply with their obligations under Clause 13 of this Charter in relation to insuring the Vessel, not remedied within 14 days after receiving notice in writing from the Owners;
- (f) If an order is be made (and not discharged within 60 days) or an effective resolution is passed for the administration or winding-up of the Charterers or if an administrative or other receiver is be appointed (and not removed within 60 days) of the whole or any substantial part of the property, undertaking or assets of the Charterers or if an administrator of the Charterers is appointed or if anything analogous to any of the foregoing shall occur under the laws of the place of the Charterers' incorporation; or



- (g) If the Charterers commit any material breach of the Charter, not remedied (if capable of remedy) within 30 days after receiving written notice from the Owners.
- (h) Termination of the Charter shall be without prejudice to the Owners' other rights.
- (i) The Collateral Charterer's Default.

46.2 In the event of termination for Charterers' Default, or if the Owners otherwise terminate this Charter by reason of the Charterers' breach (regardless of the nature of such breach):

- (a) any payment of the Upfront Charter-Hire not having fallen due shall cease to be payable;
- (b) to the extent that the amount of such Upfront Charter-Hire exceeds the amount of such claims, the Owners shall refund the excess to the Charterers (without interest);
- (c) to the extent that the amount of such Upfront Charter-Hire is less than the amount of such claims, the Owners shall be entitled to claim the excess from the Charterers; and
- (d) the Charterers shall reimburse the Owners promptly, with interest at same rate as set out in Box 24, for any and all expenditures which the Owners may from time to time make, layout or expend in providing taxes, dues, assessments, governmental charges, fines and/or penalties lawfully imposed, repairs, attorneys fee and/or other matters as the Charterers are obligated herein to reimburse the Owners shall be as additional indebtedness due from the Charterers under this Charter, and shall be payable by the Charterers on demand. The Owners, though permitted so to do, shall be under no obligation to the Charterers to make any such expenditures

46.3 If the Owners exercise their right of termination, they shall notify the Charterers in writing or by telefax or e-mail confirmed in writing, and such termination or rescission shall be effective as of the date of receipt by the Charterers of the notice.

47. **Termination for Owners' default**

47.1 The Charterers shall (in addition to any other rights they may have in relation to the event in question) be entitled to terminate the Charter with immediate effect by written notice to the Owners if any of the following occur (which shall constitute a repudiatory breach of contract) (in each case "**Owners Default**"):

- (a) The Owners be adjudicated bankrupt or insolvent or a court order is made for the dissolution or winding-up of the Owners.
- (b) The Owners file a petition for adjudication of bankruptcy or winding-up.

- (c) A petition for adjudication of bankruptcy, dissolution or winding-up of the Owners are filed and the Owners fail to discharge such petition within thirty (30) days.
- (d) The Owners files voluntarily or involuntarily an application for a compulsory composition with creditors or to take advantage of any insolvency law or an answer admitting the material allegations of a petition filed against the Owners in any bankruptcy or insolvency proceedings.
- (e) Corporate action shall be taken by the Owners for the purpose of effecting any of the foregoing.
- (f) An encumbrancer takes possession of, or a receiver or trustee is appointed over, the whole or a material part of the assets of the Owners, or a distress or execution is levied on a material part of the property and assets of the Owners.
- (g) The Owners are dissolved, liquidated or cease to be registered as a [Singaporean] company.
- (h) If the Owners shall by any act or omission be in breach of their obligations under this Charter to the extent that the Charterers are deprived of the use of the Vessel and such breach continues for a period of thirty (30) running days after written notice thereof has been given by the Charterers to the Owners, the Charterers shall be entitled to terminate this Charter with immediate effect by written notice to the Owners.
- (i) The Collateral Owner's Default.
- (j) Termination of the Charter shall be without limitation to the Charterers' other rights. Without limitation to this, the Owners shall indemnify and hold harmless the Charterers in respect of all loss, damages, costs and expenses which the Charterers may suffer as a result of this Charter being terminated or the Vessel not being delivered into charter under this Charter, by reason of Owners' Default (or otherwise by reason of Owners' breach of this Charter).

47.2 If the Charterers exercise their right of termination, they shall notify the Owners in writing or by telefax or e-mail confirmed in writing, and such termination or rescission shall be effective as of the date of the Owner's receipt of such notice.

48. **Mortgages**

48.1 The Owners may execute a mortgage or mortgages over the Vessel in favour of any reputable bank or financial institution, together with such collateral security, whether by way of assignments of the earnings and insurances of the Vessel and/or of the Owners' rights and benefits under this Charter or otherwise, as any such mortgagee may require.





48.2 The Charterers undertake that they will comply with all such instructions with regard to insurance, repair and customary maintenance of the Vessel and the payment of Hire and other moneys hereunder as any mortgagee or any assignee of the Owners' rights and benefits hereunder may give from time to time in accordance with and during the term of this Charter,

48.3 The Owners shall endeavour to obtain mortgagee(s)' Quiet Enjoyment Letter to the Charterers to ensure that as long as the Charterers duly pay Hire and fulfil other obligations under the Charter, their right to use the Vessel and the purchase of the Vessel from the Owners in accordance with Clause 43 shall not be interfered with.

49. **Assignment**

The Owners shall have right to assign the benefits of this Charter to the mortgagee(s) at anytime during the Charter Period. The Owners also shall have right to assign the incomes under this Charter to the mortgagee(s) and the Charterers shall acknowledge the notice of the assignment made by the Owners.

50. **Flag**

The Vessel shall have been registered by the Owners at their own account in Singapore and fly Singapore flag upon the date of delivery

51. **Indemnity**

51.1 Throughout the Charter Period with effect from the date of delivery of the Vessel, the Charterers shall pay to the Owners, and indemnify and keep the Owners indemnified against, all cost, charges, expenses, claims, proceedings (whether civil or criminal), liabilities, losses, penalties, fines, duties and fees (including, but not limited to, legal fees and expenses on a full indemnity basis) and taxes thereon of whatsoever nature and howsoever arising of, caused by the Vessel or the Charterers and suffered by the Owners, including (without prejudice to the foregoing) relating to or arising directly or indirectly in any manner or for any cause or reason whatsoever out of a claim by, or directive from, any governmental, judicial or regulatory authority, or any other person howsoever, alleging breach of, or non compliance with, any state, national, or international laws, agreements, regulations, conventions or rules pertaining to pollution, the protection of human health, or the environment, whether from the Vessel or some other vessel which has been in collision with the Vessel, or is involved in some other incident of navigation or operation where the Vessel or the Charterers or the managers of the Vessel are actually or allegedly liable (in whole or in part) or otherwise at fault, and which is made or asserted against the Owners, any mortgagee or mortgagees of the Vessel pursuant to Clause 48 above and/or the Vessel, or out of any actual or threatened environmental incident relating to the Vessel.

51.2 The indemnities contained in this Clause 51, and each other indemnity contained in this Charter, shall survive after any termination or expiry of this Charter and any



breach of, or repudiation or alleged repudiation by the Charterers or the Owners, of this Charter.

52. **Charterers' Supplied Items**

The Charterers shall deliver to the Owners at the Shipyard the items as specified in the Building Contract which the Charterers shall supply on its account by the time designated by the Owners.

Assignment of the Building Contract

53. **Owner's Assignment**

53.1 The Owners hereby assign and agree to assign all of the Assigned Rights to the Charterers.

53.2 All salaries and expenses of the supervisor, or any other employees employed by the Charterers for the purpose of Article IV (*Supervision and Inspection*) assigned under this Clause 53, shall be for the Charterer's account.

53.3 The Charterers undertake to duly and punctually perform all the obligations corresponding to the Assigned Rights in such way which shall not unreasonably delay the construction of the Vessel.

54. **Owner's Conditional Assignment**

(B) The Owners hereby assign and agree to assign all of the Conditional Assigned Rights to the Charterers, **PROVIDED ALWAYS** that the Charterers shall not exercise such Conditional Assigned Rights prior to 7 calendar days before the Final Delivery Date.

55. **Notice of Assignment**

The Owners hereby undertake that it will:

- (a) within 3 Banking Days upon execution of this Charter give notice hereof to the Builder in the form of Schedule II (*Form of Notice of Assignment*) hereto; and
- (b) within 15 Banking Days upon execution of this Charter and issuance of the Refund Guarantee, give notice hereof to the Refund Guarantor in the form of Schedule III hereto by letter.

56. **No Waive of Assigned Rights**

The Owners shall not, without the prior written consent of the Charterers, waive any Assigned Rights and/or the Conditional Assigned Rights of the Owners under the Building Contract.

57. **Indemnity under Assignment**



In the event that the Charterer exercises its right (such right being assigned to the Charterers under Clause 54) of cancellation, rejection and/or rescission of the Building Contract pursuant to any of the provision of the Building Contract specifically permitting the Owners in its capacity as the buyers to do so and such exercise of such right proves to be wrongful pursuant to an arbitration award obtained under Article XIII of the Building Contract, the Charterers shall pay such amount pursuant to the arbitration awards to the Builder and keep the Owners indemnified and harmless against any claims, penalties, damages, costs and orders under the arbitration awards.

In the event that the Builder fail to pay any amount awarded pursuant to an arbitration award obtained under Article XIII of the Building Contract, the Owners shall pay such amount pursuant to the arbitration awards to the Charterers and keep the Charterers indemnified and harmless against any claims, penalties, damages, costs and orders under the arbitration awards.

GENERAL CLAUSES

58. Patents, Trademarks and Copyrights

58.1 The machinery and equipment of the Vessel may bear the patent number, trademarks or trade names of the manufacturers. The Owners shall defend and save harmless the Charterers from patent liability or claims of patent infringement of any nature or kind, including costs and expenses for, or on account of any patented or patentable invention made or used in the performance of this Charter and also including cost and expense of litigation, if any.

58.2 Nothing contained herein shall be construed as transferring any patent or trademark rights or copyright in equipment covered by this Charter, and all such rights are hereby expressly reserved to the true and lawful owners thereof. Notwithstanding any provisions contained herein to the contrary, the Owners' obligation under this Clause should not be terminated by the passage of any specified period of time.

58.3 The Owners' indemnity hereunder does not extend to equipment or parts supplied by the Charterers to the Owners if any.

59. Disputes and Arbitration

59.1 Applicable Law

- (a) This Charter and any non-contractual obligations arising in connection with it shall be governed by and construed in accordance with English law.

59.2 Arbitration

- (a) Any dispute arising out of or in connection with this Charter shall be referred to arbitration in London in accordance with the Arbitration Act 1996 or any statutory modification or re-enactment thereof save to the extent necessary to give effect to the provisions of this Clause.



- (i) The arbitration shall be conducted in accordance with the London Maritime Arbitrators Association (LMAA) Terms current at the time when the arbitration proceedings are commenced.
- (ii) The reference shall be to three arbitrators. A party wishing to refer a dispute to arbitration shall appoint their arbitrator and send notice of such appointment in writing to the other party requiring the other party to appoint their own arbitrator within 14 calendar days of that notice and stating that it will appoint their arbitrator as sole arbitrator unless the other party appoints their own arbitrator and gives notice that it has done so within the 14 days specified. If the other party does not appoint their own arbitrator and give notice that it has done so within the 14 days specified, the party referring a dispute to arbitration may, without the requirement of any further prior notice to the other party, appoint their arbitrator as sole arbitrator and shall advise the other party accordingly. The award of a sole arbitrator shall be binding on both parties as if he had been appointed by agreement.
- (iii) Nothing herein shall prevent the parties agreeing in writing to vary these provisions to provide for the appointment of a sole arbitrator.
- (iv) In cases where neither the claim nor any counterclaim exceeds the sum of USD 50,000 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Small Claims Procedure current at the time when the arbitration proceedings are commenced.
- (v) In cases where the claim or any counterclaim exceeds the sum agreed for the LMAA Small Claims Procedure and neither the claim nor any counterclaim exceeds the sum of US\$400,000.00 (or such other sum as the parties may agree) the arbitration shall be conducted in accordance with the LMAA Intermediate Claims Procedure current at the time when the arbitration proceeding are commenced.
- (vi) Where the reference is to three arbitrators the procedure for making appointments shall be in accordance with the procedure for full arbitration stated above.

59.3 The Owners shall not, and waives any right to, detain or arrest the Vessel or anything belonging to her once delivered by reason of any dispute of whatsoever nature arising between the Owners and the Charterers.

60. NOTICES

60.1 Any and all notices and communications in connection with this Charter shall be

PD



(a) addressed as follows:

To the Charterers:

To: GMI Resources (Singapore) Pte Limited
72 Anson Road, Anson House #12-02,
Singapore 079911
Att: Matthew Rudge, Managing Director
Telefax: +65 6511 1681
No.:
E-mail: newbuildings@gmilimited.com

To the Owners:

To: Cygnus Shipping Pte. Ltd
80 Robinson Road, #02-00, Singapore 068898,
Tele No.: +65 6557 0188.
Att: Ms. Lui Hua
Telefax: +65 6557 0188
No.:
E-mail: liuhua@yzjship.com

(b) in writing and in the English language;

(c) sent by email or telefax, or registered post or delivered by hand.

60.2 Notices shall be effective on actual receipt by either party by email or telefax or registered posted or through delivery by hand (which ever is earlier if the notice or communication is sent though more than one way).

60.3 All notices, correspondence and communications relating to this Charter and all documents supplied by or to the Owners in relation to this Charter shall be identified by being plainly marked:

Hull No. YZJ2013-1065" (before delivery) or the name of the Vessel (after delivery);

61. **Effective date of Contract**

This Charter shall become effective when it has been signed by both Parties.



62. **Entire Agreement**

- (a) This Charter constitutes the only and entire agreement between the Parties and supersedes and replaces any prior written or oral agreements, representations, statements or understandings between them relating to its subject matter.
- (b) Each party confirms that it has not entered into this Charter on the basis of any representation or statement which is not expressly incorporated into this Charter. Without limiting the generality of the foregoing, neither party shall have any remedy in respect of any untrue representation or statement made to him upon which he may have relied in entering into this Charter, and a party's only remedy (if any) is for breach of contract. However, nothing in this Charter or the Specifications purports to exclude liability for any fraudulent statement or act.
- (c) This Charter may not be released, discharged, supplemented, interpreted, amended, varied or modified in any manner except by an addendum in writing signed by a duly authorised representative of each of the Parties to this Charter.

63. **Confidentiality**

The terms of this Agreement and the substance of the negotiations in connection with it are confidential to the parties, who shall not disclose the same to any third party without the written consent of the other parties other than

- (a) to the parties respective auditors, insurers and lawyers on terms which preserve their confidentiality;
- (b) pursuant to an order of a court of competent jurisdiction or pursuant to any proper order or demand made by any competent authority or body where they are under a legal or regulatory obligation to make sure a disclosure;
- (c) so far as it is necessary to enforce any of the terms of the Agreement.

This Charter may be executed in any number of counterparts (but shall not be effective until each party has executed at least one counterpart) and exchanged via telefax or email. Each of the counterparts, when executed and delivered, shall be an original and which together shall have the same effect as if each party had executed and delivered the same documents. Thereafter the original hard copies of this Charter shall be executed and exchanged by courier, which shall constitute the same instrument as the document executed in counterparts. For avoidance of doubt, this Charter shall be deemed fully executed when executed in counterparts and exchanged via telefax or email, irrespective of whether or not original hard copies are subsequently executed and exchanged.



SCHEDULE I

CONDITIONS PRECEDENT

Part I

1. Security Parties

- (a) A copy of the constitutional documents of the Charterers, including Certificate of Incorporation, Business Registration Certificate and Memorandum and Articles of Association (or equivalent in its place of incorporation);
- (b) A copy of resolutions of the board of directors and resolutions of shareholders of the Charterers, approving the execution of this Charter and the Assignment of Insurance and authorizing a person or persons to execute the same under seal (where appropriate), and any other notices and documents required in connection therewith, and the specimen signature(s) of such person(s).

Part II

1. Owner's Documents

- (a) A copy of the constitutional documents of the Owners, including Certificate of Incorporation, Business Registration Certificate and Memorandum and Articles of Association (or equivalent in its place of incorporation);
- (b) A copy of resolutions of the board of directors and resolutions of shareholders of the Charterers, approving the execution of this Charter and authorizing a person or persons to execute the same under seal (where appropriate), and any other notices and documents required in connection therewith, and the specimen signature(s) of such person(s).



Part III

1. Documents

Duly executed originals of:


- (a) the Manager's Undertaking; and
- (b) the Assignment of Insurance

2. Other documents and evidence


- (a) the Upfront Charter-hire and the Additional Upfront Charter-hire having been received by the Owner; and
- (b) any documents that the financing bank of the Owners may require,
- (c) that the Vessel is, or immediately following the Delivery Date will be, insured in accordance with the provisions of this Charter and that all requirements of clause 13 of Part II in respect of such insurances have been complied with;
- (d) that the Vessel is classified and maintained in the highest class (free of outstanding recommendations or conditions of class) with the Classification Society; and
- (e) Such evidence as the Owner may require of the Charterer's compliance with the ISM Code, the ISPS Code and MARPOL and all other international code, convention, regulation applicable to the Ship.



IN WITNESS whereof this Agreement has been duly executed the day and year first above written


For and on behalf of
Date: PANAYIOTIS C. KONTOS
DIRECTOR




For and on behalf of
Date: